



## **Relieving Farm and Middle Class Property Taxes**

The property tax is Nebraska's most burdensome tax. I will pursue three approaches to providing property tax relief for family farmers and the middle class:

1) Reduce Reliance on Property Taxes for Funding Our Schools and Correct the Bias in State Education Funding Against Schools in Small Town and Rural Nebraska – Overall, Nebraska ranks 49th among the 50 states in the percentage of K-12 school funding provided by the state. But it is even lower for schools in Burt, Cuming and Washington Counties. Eight of their nine school systems receive no equalization aid – the primary source of state school funding. That is because the formula for distributing state equalization aid is biased against districts that include significant farmland. I will work to create new state funding for schools districts where the absence of state support is imposing heavy tax burdens on farmland.

2) Stop Unfunded Mandates – I will oppose actions that drive up property taxes by shifting costs off state government and onto local governments and schools through unfunded mandates. State government is funded primarily by sales and income taxes. Schools and local government are funded primarily by property tax, so shifting costs to them from the state increases property taxes. Yet many state level politicians do just that. They claim they are cutting spending and taxes when they are really just shifting costs onto the property tax. Examples include cutting the reimbursements for state prisoners in county jails and reducing state funding for special education.

3) State Incentive Funding for Efficiency – I will champion incentive funding to schools and local governments to work together to gain efficiency by jointly delivering services, sharing key staff and sharing equipment. For example, school districts have gained efficiency by sharing a superintendent and low enrollment high school classes.

I am also open to proposals to offset property tax burdens by providing refundable state income tax credits. The best test of whether a candidate is serious about property tax relief is his/her stand on cutting income taxes on the rich, because the state cannot and will not do anything significant for both. A state income tax cut for the rich will raise property taxes for the rest of us by prompting the state to shift more costs onto local government and schools. I oppose income tax cuts for the rich because my priority is reducing family farm and middle class property taxes.